

## **GENSOURCE CONGRATULATES INNOVARE TECHNOLOGIES ON PATENT APPROVAL AND DISCUSSES NEXT STEPS**

**SASKATOON, Saskatchewan – October 6, 2017 – Gensource Potash Corporation** (“Gensource” or the “Company”) (**TSX.V: GSP**) is pleased to announce that its underlying technology provider, Innovare Technologies Ltd. (“Innovare”), has received confirmation of US Patent.

The Vanguard One project, for which a detailed feasibility study was completed on May 31, 2017, will use selective solution mining to extract potash from the sylvinitic ore body underlying Gensource’s KL 245 subsurface mineral lease and cooling crystallization techniques in the surface process plant to extract solid phase KCl from the feed brine. For the mining method, while Gensource will employ innovative cavern designs at the ore body, the general method of selective solution mining is well understood and has been in active use in the industry for some time. However, in the process plant, Gensource is employing specific improvements developed by Innovare (“Technologies”) to improve the energy efficiencies in the plant, which result in a lower operating cost. Our shareholders will recall that Vanguard One’s stated operating cost per tonne, as determined in the feasibility study, is projected to be among the lowest in the industry, even though the operation will produce only 250,000 tonnes per year, which represents a very small potash project. Up to now, potash producers have relied on scale (i.e., large tonnages) to obtain low per-tonne operating costs. Additionally, the mining method will produce no salt tailings on surface and the process design, using cooling crystallization, requires no surface cooling ponds – the result is no brine or salt on the surface, resulting in a major step forward in reducing the environmental impact of potash mining in Saskatchewan.

The specific improvements from Innovare were covered under patent pending protection until now. Gensource has been notified that Innovare has received confirmation of acceptance of patent for its surface plant techniques. Gensource is a licensor of the Innovare Technologies and, further, Innovare acts as Gensource’s technical advisory board. The fact that the Technologies have been accepted by the US Patent Office is an exciting development that speaks to the level of advancement of the Technology and its applicability to Gensource’s potash production plans. The Company will benefit greatly from the use of the Technologies by implementing state of the art processing at Vanguard One that will help it keep operating costs at the very lowest level: a key attribute for any new project. Gensource congratulates Innovare for this significant milestone.

Gensource is poised and ready to advance the Vanguard One project. The business structure planned for Vanguard One has not changed: It will be executed under a joint venture in partnership with an off-taker, or buyer, of the product and a financial partner. As previously disclosed, Gensource is in discussions with several parties – all of whom are credible and active

participants in the potash industry - to create these partnerships and the Company is excited at the prospect of moving the Project ahead.

The scientific and technical information contained in this news release was reviewed and approved by Mike Ferguson, P.Eng., President and CEO of Gensource and a Qualified Person under NI 43-101.

### **About Innovare**

Innovare Technologies Ltd. is a consulting firm, specialized in drilling, solution mining and processing technologies for potash mining projects. The three principals of the company have a combined 100+ years' experience, much of that in the potash industry, and have successfully developed potash projects in Saskatchewan. Based on solution mining and processing concepts developed in other commodities dating back to 1997, the principals realized the potential applications of these concepts and began to adapt them to the extraction of potash.

### **About Gensource**

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province. Gensource's President and CEO, Mike Ferguson, P.Eng., has assembled a management and technical team with direct and specific expertise and experience in potash development in Saskatchewan.

Gensource operates under a business plan that has two key components - vertical integration with the market to ensure that all production capacity built is directed to a specific market, eliminating market-side risk; and, technical innovation which will allow for a small *and* economic potash production facility, the output of which can then be directed to a single, specific market.

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